



www.wpsre.com
egormbley@wpsre.com
(O) 203.856.6203
(F) 203.286.1235
11 Day Street 1st Fl.
Norwalk, CT 06854

Testimony from Edward Gormbley of Workforce Partners LLC on February 28, 2023
Before the Connecticut General Assembly's Housing Committee
HB 6781- AN ACT ADDRESSING HOUSING AFFORDABILITY FOR RESIDENTS IN THE STATE.
SB 4- AN ACT CONCERNING CONNECTICUT'S PRESENT AND FUTURE HOUSING NEEDS.

Workforce Partners is the impact investing firm I founded with the expressed purpose to provide clean, safe, and affordable housing to median income families in Norwalk, Connecticut while earning a profit for our investors and lenders. I was born in Norwalk, built this business in Norwalk, and remain intimately aware of the operating environment in this growing city. We are not a charity or a non-profit, however, our unique approach to harnessing the power of capitalism to address the social issue of affordable housing led us to tackle, earlier than most, the previously neglected market for workforce housing. We have worked with the Norwalk Police Department to breakup drug rings, Norwalk's Redevelopment Authority to beautify neighborhoods, and the Mayor's Office to creatively celebrate median income families.

Over the past 15 years our efforts have garnered numerous recognitions, including a runner up to E&Y's Entrepreneur of the Year Award, the Norwalk Chamber of Commerce's 40-under-40 award, the Chamber's Small Business Award, and the Chamber's Economic Impact Award – which included Commendations from the Connecticut State Legislature and Congressman Jim Himes. The model of leading our business with our values first has been turned into a case study at Columbia Business School, prompted an annual guest lecture at Columbia about ethics and leadership, and afforded me the opportunity to convene multiple lecture panels about affordable housing with visionaries in the industry. I currently serve on the boards of the Norwalk Housing Authority Foundation's Scholarship Committee, which interviews and awards scholarships to residents of the Housing Authority, Fairfield Prep's Board of Governors, where in my role as vice-chair I focus on facilitating access to education for my fellow inner-city students, and the local chapter of YPO (the Young Presidents Organization), where I work with other entrepreneurs to help them drive their businesses forward.

Workforce Partners is a vertically integrated operation, so my team and I understand every phase of the real estate life cycle, from the market to buy and sell properties, to the cost to finance them, to the pain points of operating them on a day-to-day basis. We work with residents from a variety of sources, including market rate, Below Market Rate (BMR), Section 8, Low Income Housing Tax Credit (LIHTC), ShelterPlus, KeyStone House, Family & Children's Services, and a variety of other governmental and non-profit organizations. FannieMae, the Federal government's affordable housing lender, certified our portfolio as "affordable." That certification requires 51% of the apartments in a portfolio to be affordable for households with income at 80% of the median area income. 98% of our apartments met that threshold, far surpassing the minimum requirements for certification.



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We house approximately 375 families and hope to double that number over the next few years. We employ 35 - 45 people across our various operations depending on the season and indirectly impact multiples of that with our hiring of contractors and purchases in the local economy.

Workforce Partners' mission is clean, safe, and affordable housing, ***which is why we strongly oppose rent control and eviction restrictions.*** These are market distortions that unintentionally result in the exact opposite of their stated, politically expedient, intent. Many municipalities have experimented with rent control over the years, only to relax them later and thereby immediately enhance access to affordable housing and improve the economic dynamics of the local area on a variety of measures.

We look forward to being a resource in the overall conversation surrounding affordable housing and are committed to making Connecticut more accessible to residents of all income levels. I appreciate the focus and commitment but believe we must truly focus on measures that will grow our housing opportunities and investments in our state. We must reject short-sighted measures that will harm our long-term outlook. It is important to work together and I look forward to being part of the conversation.

Thank you for your consideration.

Edward Gormbley